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July 28, 2009

Public Service Commission of South Carolina
101 Executive Center Dr., Suite 100
Columbia, SC 29210

Dear Commissioners:

Subject: Duke Energy Rate Proposal

Duke Energy has proposed a whopping 12.1% increase in residential rates effecting upstate customers. Tuesday's *Herald-Journal* article noted "The N.C. Utilities Commission is expected to rule on Duke's request by the end of this year. A hearing in Charlotte will be held Sept. 9."

An obvious question is when The Public Service Commission of South Carolina in Columbia will consider Duke's request (this is an open letter to the PSC).

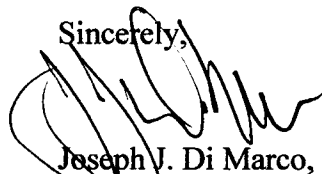
Also, since Duke Energy's last S.C. rate case was in 1991, the PSC may find it prudent to consider that reliable distribution of electrical power varies significantly from substation to substation. Yes, storms are often one cause, but storms have been expected since Adam.

Our PSC should expect more robust designs by world-class engineers such as those employed by the utilities serving our state. While some residences receive their electric power with nearly six sigma (99.996%) reliability, meaning interruptions measured in negligible seconds over the past year, others have certainly been plagued by hours, or even days of electrical blackouts.

Why are residential rates not adjusted to reflect the quality of service actually received? Collection of such data in the information age is hardly a chore when only a few keystrokes from reality.

Substation pricing levels would give utilities better incentive to employ robust design, maintain power distribution right-of-ways, and improve their networks. Such pricing would better **ensure that the citizens of the State receive appropriate levels of customer satisfaction and quality of service for those services**. The bold text is from the first goal in PSC's Mission Statement, by the way.

Sincerely,



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